

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA

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CRIMINAL NO. 07-405

v.

*

SECTION: "I"

RENADA THORNTON

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VIOLATION:

18 U.S.C. §1341

18 U.S.C. §1343

* * *

FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved beyond a reasonable doubt, through the introduction of competent testimony and admissible tangible exhibits including the testimony of special agents of the Federal Bureau of Investigation ("FBI"), employees of the American Red Cross ("Red Cross"), employees of Paychex, Inc. ("Paychex"), employees of First Data Commercial Services ("First Data"), employees of EFD E-Funds Corporation ("EFD E-Funds"), and others, the following facts to support the allegations charged by the Grand Jury in the Indictment now pending against the defendant, **RENADA THORNTON**.

An employee of the Red Cross would testify that in the weeks and months after Hurricane Katrina, which struck southeastern Louisiana on August 29, 2005, the Red Cross maintained disaster recovery centers to assist victims of Hurricane Katrina. Through these recovery assistance efforts, the

Red Cross provided financial assistance to residents displaced or otherwise affected by Hurricane Katrina. People affected by the storms were able to apply for a one-time only financial grant of up to \$1,565 from the Red Cross. In order to receive these funds, applicants needed to present identification to an Red Cross representative that indicated residence in an affected zone. Applicants were also required to attest and sign a statement that read in part: “I certify that I have not received any undisclosed additional American Red Cross financial assistance.”

Competent testimony would be introduced to show that once approved, the Red Cross made these disaster assistance funds available in one of four ways: (1) A personal check made payable to the applicant, issued on-site, and cashed with the assistance of the Red Cross; (2) A Red Cross-issued “Discover” card, issued on-site, and activated via phone by the applicant; (3) A Red Cross-issued “Client Assistance Card” (“CAC”) card, issued on-site and activated via phone by the applicant; (4) A personal check authorized by the Red Cross, issued by Paychex.

Competent testimony by an employee of the Red Cross would be introduced to prove that one type of the CAC cards was purchased from Capital One Bank and another type was purchased from J.P. Morgan Chase Bank.

An employee of First Data would testify that First Data is the third-party vendor responsible for handling transaction processing services for Capital One Bank. Admissible evidence and competent testimony would be produced to show that when a Red Cross-issued CAC card from Capital One was activated and used, certain writings, signs, signals, and sounds were sent from the point of purchase to First Data network computers in Wilmington, Delaware.

An employee of EFD E-funds would testify that EFD E-funds is the third-party vendor responsible for handling transaction processing services for J.P. Morgan Chase. Admissible evidence and competent testimony would be produced to show that when a Red Cross-issued CAC card from

J.P. Morgan Chase was activated and used, certain writings, signs, signals, and sounds were sent from the point of purchase to EFD E-funds network computers in Sunrise, Florida.

An employee of Paychex would testify that the company volunteered its services to the Red Cross and processed personal checks to applicants as deemed appropriate and authorized by the Red Cross. These checks were processed and issued to applicants via the United States Postal Service. Testimony would also be introduced proving that the money that Paychex processed belonged to the Red Cross.

Testimony by an employee of the Red Cross and admissible exhibits would be introduced to prove that the defendant, **RENADA THORNTON**, presented herself to Red Cross assistance centers throughout the United States on fourteen (14) occasions between on or about September 9, 2005 and on or about October 19, 2005. On each visit, she applied for financial assistance and indicated that she had not received any other financial assistance from the Red Cross, in violation of stated and accepted Red Cross policy, and with the intent to deceive and defraud the Red Cross of money. As a result of her actions on these 14 applications, **THORNTON** received direct financial assistance from the Red Cross totaling \$18,580 of which \$17,015 was obtained by fraud.

Through the introduction of competent testimony and admissible exhibits, the government would prove that the defendant, **THORNTON**, applied for and effected violations of Title 18 United States Code, Section 1343, on or about the dates and from and to the locations listed below:

Count	Date of Application	Date of Wire	Card Type	Origin Point	Arrival Point
1	10/5/05	10/7/05	Capital One	Walmart, Slidell, LA	First Data, Wilmington, DE
2	10/5/05	10/8/05	Capital One	Dillard's, Slidell, LA	First Data, Wilmington, DE

Count	Date of Application	Date of Wire	Card Type	Origin Point	Arrival Point
3	10/5/05	10/8/05	Capital One	Verizon Wireless Store, Slidell, LA	Wilmington, DE
4	9/26/05	9/29/05	JP Morgan Chase	Chase Bank ATM, Slidell, LA	EFD E-Funds, Sunrise, FL
5	9/26/05	9/29/05	JP Morgan Chase	Chase Bank ATM, Slidell, LA	EFD E-Funds, Sunrise, FL
6	9/26/05	9/29/05	JP Morgan Chase	Chase Bank ATM, Slidell, LA	EFD E-Funds, Sunrise, FL

Testimony by employees of Paychex and other admissible exhibits would be introduced to prove that on or about October 6, 2005 in the Eastern District of Louisiana, the defendant, **THORNTON**, knowingly caused to be delivered to her listed address of 1534 Beech Street, Slidell, LA, through the United States mail, a personal check authorized by the Red Cross and issued by Paychex, Inc., bearing the number 1016017637 in the amount of \$1,565.00, authorized on or about October 6, 2005 and mailed on or about October 17, 2005; all said actions completed in violation of Title 18, United States Code, Section 1341.

READ AND APPROVED:

Gary Schwabe (Date)
Counsel for Renada Thornton ____/____/____

DANIEL P. FRIEL (Date)
Assistant U.S. Attorney ____/____/____

RENADA THORNTON (Date)
Defendant ____/____/____